



CONGRESSMAN VERN BUCHANAN

HOUSE OF REPRESENTATIVES
THIRTEENTH DISTRICT, FLORIDA

September 24, 2008

The Honorable Hank Paulson
Secretary of the Treasury
1500 Pennsylvania Ave., NW
Washington, DC 20220

The Honorable Ben Bernanke
Chairman, Federal Reserve
20th St., & Constitution Ave., NW
Washington, DC 20551

The Honorable Nancy Pelosi
Speaker of the House
H-232 The Capitol
Washington, DC 20515

The Honorable John Boehner
Republican Leader
H-204 The Capitol
Washington, DC 20515

Dear Sirs/Madam,

The Congress has been urged to act quickly to approve an unprecedented \$700 billion bailout plan for American's crumbling financial system. We have been advised by the Bush Administration that, if we fail to act expeditiously, it could devastate our economy and plunge our nation into a protracted economic recession.

We all agree that it is vital to protect hard-working American citizens from losing their jobs, their homes or their life savings as a result of the financial shenanigans perpetrated on Wall Street.

It is equally important, however, that Congress takes the time to ensure that any rescue plan adopted in the coming days include several key provisions:

- Taxpayer Protection: If you expect the American taxpayers to foot the bill for up to \$700 Billion in bad financial investments and securities, you must take steps to protect them from catastrophic losses down the road. It might be prudent, as a precaution in case these devalued securities do not recover their value, to demand a share of the equity in financial institutions that benefit from bailout funds. Any money earned back by the government should be used immediately to pay down the national debt.
- Strong Oversight: The original bailout proposal was wholly inadequate in its lack of detail and the nonexistence of accountability requirements for this Treasury Secretary, as well as his successors. Any bailout plan must impose accountability and oversight on those who administer it. A control board comprised of respected financial officials, coupled with rigorous congressional oversight, may be the way to achieve this.

- NO Lavish Compensation for Wall Street Executives: The idea that taxpayers will shoulder a \$700 billion burden while Wall Street executives walk away with millions of dollars in bonuses is absolutely unacceptable. Strict provisions should be included in the bailout plan to make sure this does not happen.
- Explore All Options: The rush to adopt the administration's proposal creates the very real possibility that Congress may overlook viable alternatives. That would be a grave mistake. It's conceivable that there are other ways to forestall financial catastrophe besides enacting the Administration's plan -- such as allowing the Treasury to recapitalize banks instead of putting taxpayers on the hook for purchasing bad debt. Additionally, could the \$700 billion figure be reduced or adopted on an incremental basis to allow time to review its impact?

I urge the Administration, the Federal Reserve and my colleagues in Congress to weigh all viable options as we work together now to preserve our nation's financial security. It is essential that any rescue plan protect American taxpayers, impose strict accountability and oversight over those charged with its implementation, and ensure that the Wall Street executives responsible for this debacle do not benefit from it at taxpayer expense.

Sincerely,

A handwritten signature in black ink, appearing to read "Vern Buchanan", written in a cursive style.

Vern Buchanan
Member of Congress